

**Castle Pines Homes Association
Board of Directors**

Executive and Regular Meetings

Castle Pines Homes Association
688 W Happy Canyon Road Castle Rock, CO 80108

Friday, November 16, 2012

ATTENDEES: Directors Al Dugan, President; Linda Battin, Vice President; Len Jacob, Treasurer; Terry O'Connor, Secretary; Chuck Skinner, Director. Present from the CPHA staff: General Manager Mark Larson, Chief of Emergency Services Drew Grant, CPHA Accountant Carol Tilton and Administrator Lisa Goodwin.

OTHERS PRESENT: Paul Dannels, General Manger for the Castle Pines Metropolitan District; Sean Owens from Douglas County; residents: Don Somsy, Monica Flinner-Ross, and Craig Sundquist.

EXCUSED: N/A

MEETING AGENDA: See attached.

I. EXECUTIVE SESSION

The Board reported that on November 7th the Board met in a workshop with the Long Range Planning and Finance Committee (LRP&F) to discuss the 2013 Homes Association budget. The Board also met on November 15th with the Board of Directors from the Castle Pines Metropolitan District to discuss issues of common interest.

The Board of Directors met in executive session and discussed legal issues, reviewed the previous day's discussion with the Metro District's Board, and discussed House Bill 1237. The Board also appointed an ad-hoc committee of Director O'Connor and Director Jacob to work with Mr. Larson on employee benefits.

II. CALL TO ORDER / MODIFICATION OF AGENDA

The general meeting was called to order at 8:00 a.m.

III. CONFLICT OF INTEREST DISCLOSURE

Board members were requested to disclose any conflict of interest related to items on this month's agenda, or at any time during the meeting should a conflict of interest arise.

No conflicts were identified.

IV. MINUTES

(See Tab #1 of the November 2012 Board Package)

Motion Upon motion duly made and seconded, the Board approved the October 2012 Board of Director meeting minutes with corrections as noted.

VI. FINANCIAL REPORT – Director Jacob

(See Tab #2 of the November 2012 Board Package)

Director Jacob presented the October 2012 Financial Report.

- Regarding the Capital Budget: the interior improvements to the gate houses and the purchase of a new ES vehicle are the only two additional items to be added to the Capital Budget by year end.
- Regarding the Balance Sheet: two of the three snow removal receivables have been paid.
- Regarding Receivables: unpaid dues are anticipated to be \$150,000 at year end.
- Regarding the Income Statement: DRC revenue is positive for the year and will be budgeted higher for 2013.
- The variance under Administrative Operating Expense is primarily attorney's fees for an issue regarding one of the builders who own properties on the south side of the Village.
- Telephone Expense next year will include a new category for Shortel. Overall, this expense category is anticipated to be \$1,100 positive at year end.
- Emergency Services Labor Expense includes the expenses paid to employees that do not participate in our benefits program.
- Overtime Expense in Emergency Services ran high this month due to having lost several staff members and due to the extended hours of operation for Gates 1 and 4.
- Emergency Services Operating Expense, Equipment Maintenance and Repair Expense, includes the cost to replace a gate actuator for \$4,000. This expense will be moved into capital expenses.
- Recruiting Expense in Emergency Services includes the cost for all of the new hire testing; specifically, background checks, drug testing, and psychology evaluations.
- Community Operating Expense, Cable Television Expense reflects the cost increase to \$26 per home.
- Holiday Lights Expense next month will include the additional cost to add lights to the trees in the roundabouts.
- Community Operations Expense, Equipment Maintenance and Repair Expense includes the cost to repair the bridge near the tennis court complex.
- A portion of the expenses paid for lifeguard services is expected to be returned to us before the end of the year.

Motion Upon motion duly made and seconded, the Board unanimously approved to accept the October 2012 Financial Report as presented.

VII. HOMEOWNERS REQUEST TO BE HEARD: Items not on the agenda

NONE

VI. MANAGEMENT/LIAISON REPORTS

A. Manager's Report – Mark Larson, General Manager

Mark Larson, General Manager of the Castle Pines Homes Association presented the Manager's Report.

(See Tab #3 of the November 2012 Board Package)

Douglas County Engineer, Sean Owens, and resident Don Somsy were present to provide an update on the train whistle/Quiet Zone issue. *(For previous discussion on this issue see the October 2012 Board Packet, VII. Management Report, Item A. "Manager's Report".)*

Mr. Owens reported the following:

- Douglas County met with Union Pacific (UP) and with the Federal Railroad Administration (FRA) last week to discuss construction requirements for the Quiet Zone. Fortunately, some of the existing "controller" infrastructure will reduce UP's construction estimate by approximately half the original anticipated cost.
- The CPHA will share in the reduction of costs as the agreement provides for a 50/50 split with the County, and the Metro District, and is capped at a maximum total contribution of \$300,000.
- The Quiet Zone will begin at Atrium with the installation of a "wayside" horn. A wayside horn is ground mounted facing 90 degrees from the track; when placed near Atrium and facing towards the outlets there will be less noise carried into the Village.
- Atrium is the new public crossing, and the Quiet Zone will extend from Atrium to Sedalia.
- A Quiet Zone does not mean the conductor will never blow their horn; if there is something obstructing the tracks the conductor may blow the horn regardless of the Quiet Zone.

The Board of Directors thanked Mr. Owens for his update and his continued work on this project.

Mr. Larson reported he spoke to Michael Henritze, General Manager of the Ridge Golf Course. Mr. Henritze stated that the Ridge Golf Course currently does not spray for beetle, they do have an active grounds maintenance program and have not identified a significant beetle problem on their property. Mr. Larson reported that Mr. Henritze was very amenable to working with the Village on the beetle problem should the need arise to do so.

Mr. Larson reported the administrative office would be closed on Thursday for the Thanksgiving holiday but would reopen on Friday. Mr. Larson reported that administrative employees were given the opportunity to take Friday as a vacation day if so desired.

Mr. Larson reported the DRC met this week and there were no new homes to review.

Mr. Larson reported the builder in Chateau Ridge will soon be pouring the foundation into the excavation, and the dirt that was excavated will be used to back-fill the foundation.

B. Emergency Services (ES) Report – Drew Grant, Chief of Emergency Services (ES)

Chief Grant presented the Emergency Services report. (*See Tab #3 of the November 2012 Board Package.*)

Chief Grant reported:

- There were 579 incidents in the month of October; 79 of which were for locking and unlocking the restrooms at the Summit Club. There was some vandalism done to the restrooms near the Canyon Club, so ES is now unlocking the bathrooms at 6 am and locking them back up at 10 pm. The Board suggested dusk and dawn as opening and closing times. Mr. Larson stated he would take this issue to the next Parks and Recreation Committee meeting for review and consideration.
- Emergency Services Patrol Officers participated in a safe driving program conducted by the South Metro Safety Foundation.
- The pancake breakfast had an excellent turnout with over 300 attendees.
- There was a significant increase in parking violations due to both increased complaints and more active monitoring by ES patrol.
- There are presently 38 transponders issued to nannies or house managers. Of these 38, 8 are being evaluated for deactivation due to non-use. Several more were identified as not having been used in compliance with our policy for nannies and house managers.
- There was an incident involving a downed mailbox and when one of the ES officers approached the resident's front door a firearm with a laser sight was pointed on the officer's chest. The resident stated he was upset the officers were trespassing on his property. DCSO deputies went to this individual's home the next day to speak to him. The ES officer involved opted not to press charges.
- A gate officer denied access to an 18-wheeler that was attempting to enter the Village after 7 pm. The resident threatened to hit the gate officer, DCSO was called out and charged the resident with harassment. The current policy is no "large" or "oversized" service or delivery vehicles are allowed in before 7 am or after 6 pm, with the exception of an emergency. Chief Grant asked the Board for direction on this issue. Mr. Larson stated he would take this issue to the next Emergency Services Committee for review and would report back at the next Board meeting.

C. Metropolitan District Items – Paul Dannels, District Manager

Mr. Dannels thanked the Board for attending the joint CPHA/Metro workshop yesterday.

Mr. Dannels reported that Metro has completed 30% of the planned retro-fitting of the residential water meters. These new meters will take readings every hour and will therefore enable the Metro District to detect water leaks more quickly.

VII. ACTION ITEMS

A. 2013 Homes Association Budget

Director Jacob presented a slide show presentation.
(see attached handout of slide show)

Motion Upon motion duly made and seconded, the Board unanimously approved the 2013 budget as presented.

The Board stated that during fiscal year 2013 every effort will be made to reduce the shortfall within the budget.

B. ES Capital Request – Gate House Flooring

(See Tab #4 of the November 2012 Board Package)

Mr. Larson presented a request to replace the flooring in the gate houses located at Gates 3, 4 and 5. Mr. Larson presented a picture slide show of the current gate house floors. (see attached handout of slideshow presentation).

Mr. Larson further reported the new flooring will be the same as that which is presently installed in the Gate 1 gate house –commercial grade and skid resistant. Mr. Larson reported two bids were acquired and the price shown on the request is for all three gate houses. Mr. Larson stated that although this capital request is under \$5,000 and technically does not need to have Board approval, it is part of the larger improvement project for the gate houses and this item takes the entire project over the \$5,000 threshold.

Motion Upon motion duly made and seconded, the Board unanimously approved the Emergency Services capital request as presented.

C. Resolution Wording for Change to Homes Association Assessment Delinquent Collection Policy

(See Tab #5 of the November 2012 Board Package)

Mr. Larson presented the resolution with changes requested by the Board during the October 2012 Board meeting. The language added was the statement “this will be effective April 2013”.

Motion Upon motion duly made and seconded, the Board unanimously accepted and approved the policy regarding the Homes Association Assessment Delinquency Collection as presented.

Mr. Larson reported this amended policy will be discussed in an article in the next Village reporter and will also be included in the Annual Packet that is mailed to all homes in February.

D. Policy Regarding Inspection and Copying of Association Records

This item was not discussed and deferred to the December Board meeting.

E. Nomination of the Chair of the Nominating Committee

Item Added to the Board Agenda

Motion Upon motion duly made and seconded, the Board unanimously approved the nomination of Director Battin to serve as Chair of the nominating committee for the upcoming Board of Directors election.

VIII. Information/Direction

A. Community Brochure – Director Battin

(See attached handout of slide show presentation)

Director Battin reported an informational brochure has been created by the Communications Committee for the purpose of providing customer service at the gates for prospective home buyers that are interested in our community, but are not allowed entry at the gates. Director Battin reported the brochure will also be available for viewing and download on our website, and that residents and realtors are welcome to print copies of this brochure as needed.

Director Battin reported the brochure is 8 ½ x 14 inches and can be printed in-house. Director Battin added the VCC budget includes the cost to print 1,000 copies. The brochure is expected to be available in December.

The Board was impressed with the brochure and thanked the Communications Committee for their hard work on the project.

B. Access Control for R-47/R-49 Development – Mark Larson

(See attached handout of slide show presentation)

Mr. Larson gave an overview of the project that will be completed by Taylor Morrison on the south side of the Village. Mr. Larson reported the project will consist of 52 homes to be built over the next five years, and the builder will require access to install the necessary infrastructure and for the ongoing home construction. Mr. Larson stated that the purpose of his presentation was to discuss access for this project.

Mr. Larson reported there are three options for entry to the new development:

1. Allow entry through Gate 4.
2. Temporarily staff Gate 2.
3. Provide temporary use of restricted transponders for contractor entry at Gate 2.

Mr. Larson reviewed each option:

- **Allow entry through Gate 4.**
 - Gate 4 is currently the second busiest gate with over 10,000 visitor entries per month. Access through Gate 4 for this project would not only increase traffic, but would also route construction traffic past several school bus stops.
 - Richmond Homes development and the Vision Home development that require construction access through gate 4.
- **Temporarily staff Gate 2.**
 - The annual cost for staffing Gate 2 would be approximately \$8,000 for the temporary gate house, the installation of QuickPass, and the required utilities. Mr. Larson reported it would cost \$66,400 annually, in fully loaded personnel costs, in order to staff Gate 2.
 - CPHA has not as yet met with the builder to determine their contribution to these costs.
- **Provide temporary use of restricted transponders for contractor entry at Gate 2.**
 - Provide limited use transponders to contractor vehicles following the verification of license, registration, and proof of insurance.
 - Transponders would be limited to use only at Gate 2 and only during construction days and hours.
 - License, registration and proof of insurance would be verified every 30 days
 - Spot checks by Emergency Services Officers would be conducted weekly to insure compliance.
 - Oversized vehicle entry, such as earth movers, would require a minimum 24-hour notice prior to entry.

Mr. Larson reported that he reviewed these options with the Emergency Services Committee. The Committee determined the transponder option can be done effectively and safely and is our best option for construction access for this development. Mr. Larson further stated that if the transponder option is used it would require a modification to current access control standards which state that Gate 2 will not be used for construction entry.

Director Jacob stated adding a gate house at Gate 2 would cause traffic to back up into the roundabout so it would make more sense to issue transponders to the contractors for entry only through Gate 2.

Director Dugan stated that if the restricted transponders are used, control and enforcement of the proper use of them is critical to the control of entry for this project.

Director Battin stated she has concerns that the use of the transponders is a departure from our normal entry procedures for construction traffic.

Mr. Larson stated he is scheduled to meet the representatives from Taylor Morrison next week to discuss access issues and would keep the Board apprised of those discussions. The Board gave Mr. Larson permission to explore the use of the limited use transponders with the builder with the restrictions as outlined in the briefing.

[Due to a pre-existing commitment Director O'Connor left the Board Meeting at 10:10 am]

C. Gate Hour Staffing Discussion

This item was not discussed and instead deferred to the December Board meeting.

X. IMPORTANT MEETING DATES

Mr. Larson reported the December 2012 Board Meeting will be held in the Castle Pines Homes Association Conference Room located at 688 W Happy Canyon Road, Castle Rock on Friday, December 14, 2012, 7:00 am Executive Session, 8:00 am Regular Meeting.

The next Castle Pines Metropolitan District Board meeting will be held on Thursday, December 13, 2012 at 7:30 am.

XI. ADJOURNMENT

Motion Upon motion duly made and seconded, the Board unanimously approved to adjourn the November Board of Directors Meeting at 10:25 am.

Respectfully Submitted by,

Lisa Goodwin